NATURAL RESOURCES DEFENSE COUNCIL

August 1, 2006

A.G. Kawamura
Secretary
California Department of Food and Agriculture
1220 N Street
Sacramento, CA 95814

RE: NRDC comments in response to Farm Bill listening sessions

Dear Secretary Kawamura,

On behalf of our 1.2 million members and on-line activists, 250,000 of whom reside in California, I am writing to share some of NRDC's priorities for the reauthorization of the farm bill. I appreciate the opportunity to comment on this important issue and applaud the Department's efforts to hear from many diverse stakeholders and perspectives.

NRDC is currently developing policy priorities in several key areas in the conservation and energy titles, including the promotion of renewable fuel technologies, climate protection, land preservation and habitat stewardship, pest management and strategies to increase farm bill program performance and accountability. We are encouraged by the common interests being identified amongst our colleagues in agriculture and the environmental community as we consider these issues, and look forward to working together to help craft a national farm policy that more fairly and effectively protects agriculture and the environment.

We would like to use this opportunity to present preliminary results from research commissioned by NRDC to evaluate the status of pest management in the portfolio of stewardship practices promoted under farm bill conservation programs.

<u>Pesticide use creates liabilities for growers and the environment.</u>
Earlier this year, the US Geological Survey released the most comprehensive assessment ever of pesticides in our nation's waterways, finding widespread contamination in agriculture-dominated watersheds.[1] Pesticides were detected in surface waters 97% of time and levels exceeded benchmarks for ecosystem health at 67% of the monitoring sites in this category. In California, where the State Water Resources Control Board has listed over 2000 miles of waterways as being impaired by pesticides, water quality problems associated with pesticides is nothing new.[2] California growers are already reckoning with Clean Water Act mandated clean-up plans ("TMDLs") and "conditional waivers" pursuant to the state's clean water law. At the same time, California growers must work with state officials to reduce VOCs emitted from agricultural

[1] USGS, Pesticides in the Nation's Streams and Groundwater 1990-2001, A Summary, March 2006.
[2] State Water Resources Control Board, Section 303(d) List of Water Quality Limited Segments, 2002.

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pesticide use, now a top ten source of this pollutant in the San Joaquin Valley.[3] Finally, growers are facing increasing pressure to keep pesticides on the farm as communities sprawl toward the farm fenceline in California and around the nation. Sustaining agriculture in our increasingly urban state will require widespread adoption of more environmentally friendly and community-friendly pest management practices.

EQIP is missing the mark promoting Integrated Pest Management

Unfortunately, however, it appears that the current farm bill is not making better pest management a real priority. Through extensive interviews, data analysis and document review, our analysis indicates that EQIP, currently the largest farm bill conservation program for working lands, is all too often missing critical opportunities to help producers adopt more environmentally friendly Integrated Pest Management practices. We found that:

1) Over-all, very little EQIP funding is being allocated to support IPM. From 2003 through 2005, just 2.4% of EQIP funds nationally were granted to farmers to support pest management, on average. California EQIP allocated under 2% to pest management practices during this period. While national funding for pest management increased during this period, it remains at a low level, receiving 3% of EQIP funds in 2005.

2) In many states, including those in regions where pesticides are known to be degrading water quality or other resources, little or no funding is being allocated to promote IPM. According to a recently published national water quality assessment by the US Geological Survey, pesticides are frequently detected or predicted to be at levels of concern in waterways throughout the Corn Belt in the upper mid-west and parts of the Lower Mississippi River Valley. [4] Yet in seven states within these regions, NRCS spent less than 1% of EQIP funds on pest management.

3) In many states, it is unclear if EQIP funding allocations for unspecified "pest management" practices are being used for IPM practices that actually yield significant environmental benefits. Our review found that only a few states offer sufficiently high and detailed incentive payment rates that support higher-performing, prevention oriented IPM practices. It appears that some states are still primarily funding chemical treatments as part of their IPM support. In Nevada, for example, where nearly $300,000 was allocated for pest management in 2005, all of the funding was coded for "chemical treatments." In Montana, where $1.7 million was set aside for pest management in 2005, 93% of the resources allocated for pest management in that year are for herbicide application.

4) Low incentive payment rates are geared more for low-cost field crops, putting fruit, nut and vegetable growers at a disadvantage. Pest management costs for fruit, nut and vegetable commodities, known are typically higher than for field crops, necessitating higher payment rates for pest management.

5) NRCS' technical assistance capacity, including its in-house staff and Technical Service Provider (TSP) program, is insufficient to provide the upfront and on going assistance that growers need to develop and implement effective IPM. While EQIP's funding and mandate has increased dramatically in recent years, NRCS staff expertise has not adequately shifted to accommodate the growing demand for grower assistance for intensive management practices like IPM. The Technical Service Provider (TSP) program that is designed to supplement NRCS expertise is also inadequate to address grower needs. TSPs that provide pest management advice to growers are not required to have expertise in crop-specific

[3] CDPR, DPR Announces Air Quality Initiative, Pledges to Meet Goals, Press Release, May30, 2006.
[4] Ibid.

integrated pest management practices. Furthermore, low reimbursement rates, combined with little pest management activity under EQIP, have resulted in a small pool of available TSPs.

Recommendations:

Through this research, we have identified several priority actions to enhance growers' pest management practices and better achieve EQIP's goals for improved soil, water, air and habitat. Implementation of the following recommendations will require action by Congress, NRCS, USDA's Cooperative State Research Extension and Education Service (CSREES), producers and other stakeholders. Our recommendations include:

1) Implement IPM initiatives in priority regions. Congress should task NRCS to identify priority regions around the country where IPM is needed to address pesticide-related environmental problems and where producers need help to comply with existing environmental regulations, such as in California, or prevent the need for new regulations. In these regions, NRCS should launch initiatives to better integrate IPM into EQIP and other conservation programs through revised ranking criteria, differentiated and adequate payment rates, the publication of IPM protocols, outreach, expert technical assistance and partnerships with other organizations. Congress should task NRCS to implement such initiatives and authorize funding for this purpose.

2) Recognize multiple benefits provided by IPM. Farm bill programs should ensure that IPM is adequately ranked in terms of its positive impact on multiple resource concerns, including water, air, soil, habitat and human safety. This will increase mitigation of these resource concerns through IPM.

3) Set IPM payment rates at a level that will encourage higher performing IPM. Low incentive payment rates may be inadequate to encourage higher performing practices or may be more geared for field crops with lower pest management costs, putting specialty crop growers at a disadvantage.

4) Encourage increased environmental performance by establishing specific payment rates for advanced IPM practices, including those for organic systems. Rates for specific advanced practices must be set sufficiently high to encourage the participation of diverse farmer groups, including specialty crop growers, and tiered according to the level of management intensity and expected environmental performance. Expanding payments and practice standards for conversion to certified organic production would further accelerate the adoption of highly integrated systems with multiple conservation benefits. Payments for organic conversion are currently available in less than ten states.

5) Improve the delivery of quality technical assistance by forging new partnerships to fill gaps in IPM expertise. Congress should authorize significant partnership and cooperation funds to support the implementation of cooperative projects and specialized technical assistance, including more coordinated support for IPM in high priority regions. Partners should include Cooperative State Research, Education and Extension Service (CCSREES), NGOs, and other public or private entities. These partners can help develop IPM protocols and tools and provide outreach, upfront pest management planning, ongoing IPM training, and technical assistance to farmers in specific geographic areas. Funding should be allocated from a dedicated source, rather than NRCS' own budget, so the agency does not have an incentive to avoid spending these resources. Given the significant IPM experience that resides with many cooperative extension programs, NRCS should establish a more formalized partnership with this agency in particular, and both agencies should allocate specific funds for this purpose.

6) Increase reimbursement, and performance expectations for TSPs and provide more training to TSPs in environmentally friendly pest management. NRCS should increase TSP reimbursement levels in order adequately cover costs and attract a pool of expert IPM assistance providers. NRCS also should provide sufficient training and make qualification requirements more stringent, including establishing a new certification for experts in organic agriculture practices. More training is also needed for TSPs and other partners in the use and application of IPM as part of a comprehensive conservation plan that includes multiple, integrated conservation practices.

7) Prioritize integrated stewardship practices. Integrated pest management practices will be most effective when integrated with other farming practices, including irrigation, nutrient management, crop rotation, tillage, animal husbandry, among others. This can best be achieved by establishing EQIP project ranking criteria to prioritize multiple, synergistic land management practices.

8) Develop metrics for evaluating and monitoring IPM performance under farm bill conservation programs. Congress should task NRCS to develop a means to score a pest management plan and its components along a continuum from chemically intensive treatment methods to prevention-based, non-chemical or biologically integrated practices. Such a system would enable NRCS to more objectively rank EQIP proposals and, by aggregating scores, report on IPM performance over time and throughout regions.

California growers will benefit by increasing NRCS' capacity to promote IPM

In addition to boosting environmental performance, optimizing farm bill conservation programs to make them more effective at promoting Integrated Pest Management will help provide a fairer farm policy for specialty crop growers.

Respectfully,

[electronic signature]

Jonathan Kaplan
Sustainable Agriculture Project Director